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ECONOMICS
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U.S. CENSUS BUREAU

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FEBRUARY 2003 CONSTRUCTION AT \$872.2 BILLION ANNUAL RATE

Construction put in place during February 2003 was estimated at a seasonally adjusted annual rate of \$872.2 billion, 0.2 (± 4.8) percent below the revised January estimate of \$873.7 billion, according to the U.S. Commerce Department's Census Bureau. The February figure is 0.2 (± 4.8) percent below February 2002.

During the first 2 months of this year \$116.8 billion of construction was put in place, 0.9 (± 4.8) percent above the \$115.8 billion for the same period in 2002.

In constant (1996) dollars, the February annual rate was \$695.0 billion, 0.5 (± 4.8) percent below the revised estimate of \$698.7 billion for January.

PRIVATE CONSTRUCTION

Spending on new residential housing units was at a seasonally adjusted annual rate of \$328.1 billion in February, 0.3 (± 1.6) percent above the revised January estimate of \$327.2 billion. Nonresidential building construction was at a rate of \$158.8 billion, 0.3 (± 3.2) percent above the revised January estimate of \$158.3 billion.

PUBLIC CONSTRUCTION

In February, the estimated seasonally adjusted annual rate of public construction put in place was \$203.8 billion, 2.9 (± 4.7) percent below the revised January estimate of \$210.0 billion.

March 2003 data will be released on May 1, 2003 at 10:00 AM EDT.

EXPLANATORY NOTES

In interpreting changes in the statistics in this release, note that month-to-month changes in seasonally adjusted statistics often show movements which may be irregular. It may take 2 months to establish an underlying trend for total construction and as long as 8 months for specific categories of construction.

The statistics in this release are estimated from several sources and surveys and are subject to sampling variability as well as nonsampling errors including bias and variance from response, nonreporting, and undercoverage. Estimates of the standard errors are provided in Table 4 for selected types of construction. Whenever a statement such as "2.3 (± 3.1) percent above" appears in the text, this indicates the range (-0.8 to +5.4 percent) in which the actual percent change is likely to have occurred. All ranges given are 90 percent confidence intervals. If the range contains zero, it is uncertain whether there was an increase or decrease; that is, the change was not statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. Statistics for the current month are preliminary estimates subject to revision in following months as additional data become available. The average absolute percent changes from preliminary estimate to first revision for the major seasonally adjusted components are as follows: total construction, 0.7 percent; private construction, 0.9 percent; private residential construction, 0.7 percent; private nonresidential construction, 1.4 percent; and public construction, 1.6 percent.

More detailed data will appear in Current Construction Reports, C30/03-2, to be issued later this month. A discussion of sources and reliability of the data appears in Current Construction Reports, C30/02-5.

Our internet address is: <http://www.census.gov/c30>

NOTICE: Beginning August 1, 2003, the current types of construction classifications will no longer be published; new monthly detailed types of construction will be presented. Also, the constant dollar series will be discontinued. For further details see:

<http://www.census.gov/const/C30/newtc.html>

This press release is available the day of issue through the Commerce Department's on-line Economic Bulletin Board. For information, call (202) 482-1986.

Table 1. Value of Construction Put in Place in the United States, Seasonally Adjusted Annual Rate

[Billions of dollars. Detail may not add to total due to rounding. Percent changes based on unrounded figures]

Type of construction	Feb ^P 2003	Jan ^r 2003	Dec ^r 2002	Nov 2002	Oct 2002	Sep 2002	Aug 2002	Feb 2002	Percent change Feb 2003 from—	
									Jan 2003	Feb 2002
Current dollars										
Total construction.....	872.2	873.7	856.7	850.5	840.0	832.2	829.8	874.3	- 0.2	- 0.2
Private construction ¹	668.4	663.8	650.0	643.8	636.8	626.5	627.1	659.4	0.7	1.4
Residential buildings ²	454.4	451.5	440.2	427.2	418.0	412.2	409.3	413.5	0.6	9.9
New housing units.....	328.1	327.2	314.7	304.8	299.7	296.7	292.7	293.8	0.3	11.7
1 unit.....	291.3	291.7	282.0	273.4	267.9	263.8	259.3	260.0	- 0.1	12.0
2 units or more.....	36.8	35.6	32.7	31.4	31.9	33.0	33.4	33.9	3.4	8.7
Nonresidential buildings.....	158.8	158.3	155.6	161.8	160.2	156.5	159.8	183.2	0.3	- 13.3
Industrial.....	14.2	14.3	14.0	14.3	14.2	13.8	14.6	19.6	- 0.5	- 27.4
Office.....	32.1	32.5	34.5	35.2	34.2	34.5	36.7	41.7	- 1.3	- 23.0
Hotels, motels.....	8.9	9.1	8.8	9.0	8.9	9.0	9.1	12.2	- 2.8	- 27.1
Other commercial.....	55.5	55.1	51.7	54.2	54.0	52.8	53.0	61.5	0.8	- 9.7
Religious.....	8.5	8.2	7.9	8.2	7.7	7.9	8.0	8.7	2.9	- 2.6
Educational.....	14.0	14.1	13.8	14.1	14.2	12.6	12.4	14.4	- 1.3	- 3.2
Hospital and institutional.....	18.1	17.6	17.7	19.1	18.6	18.0	17.4	16.2	3.1	11.9
Miscellaneous buildings.....	7.6	7.4	7.4	7.7	8.4	8.0	8.6	9.0	2.8	- 16.0
Telecommunications.....	(NA)	14.4	16.7	15.7	16.4	15.2	16.4	17.2	(NA)	(NA)
All other private.....	2.2	2.3	2.0	2.4	2.4	2.6	2.6	3.2	- 5.2	- 33.6
Public construction.....	203.8	210.0	206.7	206.7	203.2	205.7	202.8	214.9	- 2.9	- 5.2
Housing and redevelopment.....	6.4	6.1	5.5	5.4	5.1	5.6	6.0	5.2	4.9	24.1
Industrial.....	1.8	2.2	1.8	2.0	1.6	1.4	2.2	2.3	- 17.4	- 20.5
Educational.....	62.2	65.2	63.4	64.4	65.0	64.8	62.4	63.9	- 4.6	- 2.7
Hospital.....	5.0	5.0	5.2	5.2	4.8	5.3	5.1	5.1	1.4	- 0.5
Other public buildings.....	28.6	29.8	29.4	31.2	31.2	30.6	30.6	32.4	- 3.9	- 11.7
Highways and streets.....	56.2	57.1	56.7	54.5	52.0	54.7	53.8	61.7	- 1.4	- 8.9
Military facilities.....	3.3	3.2	3.4	3.0	2.7	3.1	2.8	2.5	2.8	30.3
Conservation and development ..	8.7	8.5	8.2	7.7	8.3	7.7	7.5	8.7	3.1	1.0
Sewer systems.....	9.0	9.4	9.1	9.1	9.0	9.2	9.5	9.9	- 4.1	- 8.9
Water supply facilities.....	7.4	7.6	7.5	7.2	7.3	7.4	7.1	7.2	- 2.7	3.3
Miscellaneous public.....	15.0	15.9	16.5	17.1	16.2	15.8	15.7	16.1	- 5.7	- 7.0
1996 dollars										
Total construction.....	695.0	698.7	691.4	689.8	683.5	679.6	680.0	720.9	- 0.5	- 3.6
Private construction ¹	529.6	528.3	522.3	520.6	517.3	511.1	513.4	542.7	0.2	- 2.4
Residential buildings ²	354.7	354.7	349.4	341.7	336.3	333.5	332.7	337.8	(Z)	5.0
New housing units.....	256.1	257.1	249.8	243.8	241.1	240.1	238.0	240.0	- 0.4	6.7
1 unit.....	227.4	229.1	223.8	218.7	215.5	213.4	210.9	212.4	- 0.8	7.1
2 units or more.....	28.7	27.9	25.9	25.1	25.6	26.7	27.1	27.7	2.8	3.8
Nonresidential buildings.....	126.9	126.8	125.5	131.2	130.2	127.6	130.3	149.9	0.1	- 15.4
Industrial.....	11.3	11.4	11.3	11.6	11.5	11.2	11.9	16.0	- 0.7	- 29.1
Office.....	25.6	26.0	27.8	28.6	27.8	28.2	29.9	34.1	- 1.5	- 24.8
Hotels, motels.....	7.1	7.3	7.1	7.3	7.2	7.3	7.4	10.0	- 3.0	- 28.8
Other commercial.....	44.4	44.1	41.7	43.9	43.9	43.0	43.2	50.3	0.5	- 11.8
Religious.....	6.8	6.6	6.4	6.6	6.3	6.4	6.6	7.1	2.7	- 4.9
Educational.....	11.2	11.3	11.1	11.4	11.5	10.3	10.1	11.8	- 1.5	- 5.4
Hospital and institutional.....	14.5	14.1	14.3	15.5	15.1	14.6	14.2	13.2	2.9	9.3
Miscellaneous buildings.....	6.1	5.9	5.9	6.3	6.8	6.5	7.0	7.4	2.6	- 17.9
Telecommunications.....	(NA)	13.2	15.5	14.6	15.2	14.2	15.2	15.9	(NA)	(NA)
All other private.....	1.8	1.9	1.7	2.0	2.0	2.2	2.2	2.8	- 4.9	- 35.1
Public construction.....	165.4	170.4	169.1	169.1	166.3	168.5	166.6	178.3	- 2.9	- 7.2
Housing and redevelopment.....	5.0	4.8	4.4	4.3	4.1	4.5	4.9	4.2	4.2	18.6
Industrial.....	1.5	1.8	1.5	1.6	1.3	1.1	1.8	1.9	- 17.6	- 22.3
Educational.....	49.7	52.2	51.2	52.2	52.8	52.8	50.9	52.3	- 4.9	- 4.9
Hospital.....	4.0	4.0	4.2	4.2	3.9	4.3	4.2	4.1	1.2	- 2.8
Other public buildings.....	22.9	23.9	23.7	25.3	25.3	24.9	24.9	26.5	- 4.1	- 13.8
Highways and streets.....	45.8	46.4	46.4	44.2	42.1	44.2	43.7	50.8	- 1.3	- 10.0
Military facilities.....	2.7	2.6	2.8	2.4	2.2	2.5	2.3	2.1	2.7	28.0
Conservation and development ..	7.5	7.2	7.0	6.7	7.2	6.7	6.5	7.7	3.4	- 2.5
Sewer systems.....	7.7	8.0	7.8	7.9	7.8	7.9	8.3	8.8	- 3.8	- 12.1
Water supply facilities.....	6.2	6.4	6.3	6.0	6.1	6.1	5.8	6.1	- 2.3	1.8
Miscellaneous public.....	12.5	13.2	13.9	14.4	13.5	13.3	13.2	13.7	- 5.5	- 9.1

NA Not available. ^PPreliminary. ^rRevised. Z Less than 0.05 percent.

¹Includes the following categories of private construction not shown separately: residential improvements, railroads, electric light and power, gas, petroleum pipelines, and farm nonresidential.

²Includes improvements.

Table 2. Value of Construction Put in Place in the United States, Not Seasonally Adjusted in Current Dollars

[Billions of dollars. Detail may not add to total due to rounding. Percent changes based on unrounded figures]

Type of construction	Feb ^P 2003	Jan ^r 2003	Dec ^r 2002	Nov 2002	Oct 2002	Sep 2002	Aug 2002	Feb 2002	Year to date		
									Feb 2003	Feb 2002	Percent change
Total construction	57.0	59.8	63.5	72.7	77.2	78.2	79.4	57.1	116.8	115.8	0.9
Private construction ¹	44.2	46.1	48.6	55.6	58.2	57.4	58.5	43.6	90.3	88.9	1.5
Residential buildings ²	28.7	30.8	31.5	37.0	38.6	38.6	38.8	25.7	59.4	53.0	12.0
New housing units.....	21.8	22.7	23.3	26.4	27.1	27.3	27.5	19.3	44.5	39.1	13.8
1 unit.....	19.1	20.0	20.8	23.8	24.3	24.5	24.5	16.8	39.1	33.9	15.2
2 units or more.....	2.7	2.7	2.6	2.6	2.8	2.8	2.9	2.5	5.4	5.2	5.0
Nonresidential buildings.....	11.8	11.7	12.5	13.8	14.2	13.8	14.2	13.6	23.5	27.4	- 14.3
Industrial.....	1.0	1.1	1.2	1.2	1.3	1.2	1.3	1.4	2.1	3.0	- 30.1
Office.....	2.5	2.5	2.8	3.0	3.0	3.0	3.2	3.2	5.0	6.7	- 25.3
Hotels, motels.....	0.7	0.7	0.7	0.7	0.8	0.8	0.8	1.0	1.4	1.9	- 26.6
Other commercial.....	4.0	3.9	4.0	4.7	5.0	4.9	4.9	4.4	7.9	8.7	- 9.4
Religious.....	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.6	1.2	1.3	- 3.8
Educational.....	1.0	1.0	1.0	1.1	1.2	1.1	1.2	1.0	2.0	2.0	- 1.3
Hospital and institutional.....	1.4	1.4	1.5	1.6	1.6	1.5	1.5	1.3	2.8	2.5	12.8
Miscellaneous buildings.....	0.6	0.5	0.6	0.7	0.7	0.7	0.7	0.7	1.1	1.4	- 17.4
Telecommunications.....	(NA)	1.0	1.5	1.4	1.5	1.3	1.5	1.2	(NA)	2.4	(NA)
All other private.....	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.4	- 28.5
Public construction	12.8	13.7	15.0	17.2	19.0	20.8	20.9	13.4	26.5	26.8	- 1.4
Housing and redevelopment.....	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.9	0.8	25.0
Industrial.....	0.1	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.3	0.3	7.7
Educational.....	4.2	4.5	4.6	5.1	5.7	6.2	6.6	4.3	8.8	8.5	2.7
Hospital.....	0.4	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.8	0.8	- 3.5
Other public buildings.....	2.1	2.2	2.4	2.7	2.8	2.7	2.7	2.4	4.3	4.8	- 9.6
Highways and streets.....	2.5	2.8	3.5	4.5	5.7	6.3	6.4	2.8	5.3	5.7	- 8.1
Military facilities.....	0.2	0.2	0.3	0.3	0.2	0.3	0.2	0.2	0.5	0.4	30.3
Conservation and development ..	0.6	0.6	0.6	0.6	0.6	0.9	0.7	0.6	1.3	1.2	5.4
Sewer systems.....	0.6	0.6	0.7	0.8	0.8	0.9	0.9	0.7	1.3	1.3	- 5.0
Water supply facilities.....	0.5	0.5	0.6	0.6	0.7	0.7	0.7	0.5	1.0	1.0	4.5
Miscellaneous public.....	1.0	1.1	1.2	1.5	1.5	1.6	1.5	1.1	2.1	2.1	- 0.5

NA Not available. ^PPreliminary. ^rRevised.

¹Includes the following categories of private construction not shown separately: residential improvements, railroads, electric light and power, gas, petroleum pipelines, and farm nonresidential. ²Includes improvements.

Table 3. U.S. Census Bureau Composite Fixed-Weighted (1996 Weights) Price Index and Implicit Price Deflator

[1996 = 100]

Period	Fixed-Weighted Index			Implicit Price Deflator		
	2001	2002	2003	2001	2002	2003
January.....	117.8	121.5	^r 125.0	117.9	121.2	^r 125.1
February.....	118.3	121.5	^P 125.4	118.3	121.2	^P 125.4
March.....	118.7	121.3		118.6	121.3	
April.....	118.8	121.2		118.7	121.3	
May.....	119.2	121.6		119.0	121.7	
June.....	119.7	122.2		119.5	122.3	
July.....	119.6	121.9		119.4	121.8	
August.....	119.9	122.2		119.7	122.1	
September.....	120.2	122.6		120.0	122.5	
October.....	120.9	123.1		120.8	122.9	
November.....	121.1	123.3		121.0	123.3	
December.....	121.5	^r 124.0		121.2	^r 123.8	
Annual.....	119.6	^r 122.2		119.6	^r 122.1	

^PPreliminary. ^rRevised.

Note: The fixed-weighted price index is a weighted average of the individual price index series used to deflate the Value of Construction Put in Place (VIP) series. In calculating the index, the weights (the composition of current dollar VIP in 1996 by category of construction) are held constant. Consequently, the index reflects only changes in prices. The implicit price deflator is a derived ratio of total current to constant dollar VIP (multiplied by 100). It is the average of the individual price indexes used in the deflation of VIP, but the prices are weighted by the composition of VIP each period. As a result, the implicit price deflator reflects not only changes in prices, but also changes in the composition of VIP, and its use as a measure of price change is discouraged.

Table 4. **Relative Standard Errors and Coefficients for Standard Errors of Changes**

Type of construction	Relative standard error (percent)			Coefficient for changes	
	Monthly estimate	Year-to-date estimate	Annual estimate	Month-to-month change (k1)	Year-to-date change (k2)
Total construction	2	2	1	.03	.03
Private construction	3	3	1	.04	.04
Residential buildings	5	4	2	.06	.06
New housing units	2	2	1	.01	.02
1 unit	2	2	2	.01	.02
2 units or more	4	4	3	.03	.04
Nonresidential buildings	2	2	1	.02	.03
Industrial	3	3	2	.04	.04
Office	4	4	2	.05	.06
Hotels, motels	7	7	5	.09	.10
Other commercial	5	4	2	.06	.06
Religious	9	9	5	.12	.13
Educational	7	6	5	.10	.09
Hospital and institutional	6	6	5	.07	.08
Miscellaneous buildings	7	6	4	.09	.09
Public construction	2	1	1	.03	.01
Housing and redevelopment	8	6	4	.11	.09
Industrial	(NA)	(NA)	(NA)	(NA)	(NA)
Educational	3	3	2	.04	.04
Hospital	6	6	4	.08	.09
Other public buildings	3	3	2	.04	.04
Highways and streets	4	3	2	.05	.04
Military facilities	(NA)	(NA)	(NA)	(NA)	(NA)
Conservation and development	4	3	2	.06	.04
Sewer systems	6	4	3	.08	.06
Water supply facilities	8	6	3	.11	.09
Miscellaneous public	8	7	4	.11	.10

NA Not available.

Note: All statistics are based upon 2002 data. The coefficient (k1) for the month-to-month change is applicable to change from the previous month and change from the same month a year ago.

The standard errors (SE) for month-to-month and year-to-date changes may be approximated by the following formula with the appropriate coefficient shown in Table 4:

$$SE(\text{change}) = (k1 \text{ or } k2) (100 + \% \text{ change shown in table}).$$

For example, suppose Table 1 showed that private 'office' construction increased 9 percent from last month. The standard error of the 9 percent increase is about equal to 5 percentage points:

$$SE(9\% \text{ increase}) = (.05)(100+9) = (.05)(109) = 5\%$$

Once the standard error is available, one can construct a 90 percent confidence interval of the change by multiplying the standard error by 1.6. In the above example, an approximate 90 percent confidence interval of the 9 percent increase for private 'office' construction would be between:

$$1 \text{ and } 17 \text{ percent } (9\% \text{ plus or minus } 8\% (5\% \times 1.6)).$$

Table 5. Annual Value of Construction Put in Place in the United States in Current Dollars and 1996 Dollars

[Detail may not add to total due to rounding]

Type of construction	Value (millions of dollars)				Percent change from 2001 to 2002	
	Current dollars		1996 dollars		Current dollars	1996 dollars
	2002 ^r	2001	2002 ^r	2001		
Total construction	846,057	842,539	692,672	704,747	0.4	- 1.7
Private construction ¹	642,189	650,030	524,776	542,782	-1.2	-3.3
Residential buildings ²	415,515	388,705	336,490	322,305	6.9	4.4
New housing units.....	296,861	279,772	240,402	232,008	6.1	3.6
1 unit.....	263,590	249,086	213,446	206,557	5.8	3.3
2 units or more.....	33,271	30,686	26,956	25,451	8.4	5.9
Nonresidential buildings.....	167,850	201,094	136,919	166,587	-16.5	-17.8
Industrial.....	16,235	29,046	13,246	24,072	-44.1	-45.0
Office.....	37,950	52,020	30,961	43,112	-27.0	-28.2
Hotels, motels.....	10,198	14,421	8,322	11,948	-29.3	-30.3
Other commercial.....	55,934	60,297	45,624	49,933	-7.2	-8.6
Religious.....	8,303	8,310	6,772	6,880	-0.1	-1.6
Educational.....	13,562	12,629	11,062	10,454	7.4	5.8
Hospital and institutional.....	17,318	15,114	14,121	12,518	14.6	12.8
Miscellaneous buildings.....	8,350	9,259	6,811	7,670	-9.8	-11.2
Telecommunications.....	16,793	18,538	15,621	17,440	-9.4	-10.4
All other private.....	2,717	2,983	2,297	2,584	-8.9	-11.1
Public construction	203,868	192,509	167,895	161,965	5.9	3.7
Housing and redevelopment.....	5,324	4,751	4,312	3,940	12.1	9.4
Industrial.....	1,863	1,556	1,519	1,288	19.7	17.9
Educational.....	63,059	55,752	51,425	46,148	13.1	11.4
Hospital.....	5,000	4,053	4,077	3,355	23.4	21.5
Other public buildings.....	30,908	30,855	25,208	25,549	0.2	-1.3
Highways and streets.....	54,269	54,026	44,281	45,415	0.4	-2.5
Military facilities.....	2,929	2,843	2,391	2,372	3.0	0.8
Conservation and development ..	7,805	7,122	6,832	6,371	9.6	7.2
Sewer systems.....	9,335	8,751	8,172	7,828	6.7	4.4
Water supply facilities.....	7,264	7,152	6,069	6,138	1.6	-1.1
Miscellaneous public.....	16,112	15,648	13,610	13,561	3.0	0.4

NA Not available. ^PPreliminary. ^rRevised.

¹Includes the following categories of private construction not shown separately: residential improvements, railroads, electric light and power, gas, petroleum pipelines, and farm nonresidential.

²Includes improvements.